Arkansas Insurance Department

Mike Huckabee Governor



Julie Benafield Bowman Commissioner

NEWS RELEASE

FOR IMMEDIATE RELEASE

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Former Nursing Home Owner Charged With Felony

LITTLE ROCK, ARKANSAS (January 21, 2005) –State Insurance Commissioner Julie Benafield Bowman today announced that former Walnut Ridge Retirement Center owner, Paul Minton, has been charged with Failure to Secure Payment of Compensation, a class D felony. Minton, who was the owner of the retirement center between November 15, 2000 and January 22, 2002, on Thursday pleaded not guilty in Lawrence County Circuit Court to charges filed by Lawrence County Deputy Prosecutor Clay Slogan, as a result of an investigation launched by the Arkansas Insurance Department's Insurance Fraud Investigation Division.

According to investigators with the Insurance Department's Fraud Investigation Division, Paul Minton and the Walnut Ridge Retirement Center are alleged to have failed to maintain Workers' Compensation insurance on employees of the retirement center between November 15, 2000 and January 22, 2002. During that period of time, at least three employees of the retirement center reported sustaining on-the-job injuries, totaling more than \$20,000 in medical bills.

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Arkansas law requires employers to "secure compensation" for its employees, which includes the payment of medical bills for employees injured while performing job-related duties. According to investigators working on the case, Minton and the Walnut Ridge Retirement Center failed to maintain workers compensation insurance or to pay for compensatory injuries suffered by employees of the retirement center.

"This Department is very serious about enforcing the law when it comes to the well-being and safety of Arkansans," Commissioner Bowman said. "We appreciate the assistance of the Lawrence County prosecutor's office in this investigation."

Failure to Secure Payment of Compensation is a class D felony and carries a penalty of up to six years imprisonment and/or a fine not to exceed \$10,000.

The Arkansas Insurance Department is located at 1200 West Third Street (the corner of Third and Cross Streets) in downtown Little Rock. Its primary mission is consumer protection through insurer solvency and market conduct regulation, and fraud prosecution and deterrence.